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Map Plans for Economic Stabilization

President Roosevelt after issuing an Executive Order supplementing the anti-inflation law appointed Justice James F. Byrnes as Director of Economic Stabilization. He also named an advisory board consisting of the Secretaries of the Treasury, Agriculture, Commerce, Labor, the Chairman of the Federal Reserve Board, the Director of the Budget, the Price Administrator, the Chairman of the War Labor Board, and two representatives each of labor, management, and agriculture.

Following the first meeting of the 14-member Economic Stabilization Board, OES Director Byrnes announced "all salaries under $3,000 and those salaries up to $5,000 which are covered in wage agreements are to be regulated by the War Labor Board. For salaries over $3,000 other than those handled by the War Labor Board as part of wage agreements, the Treasury Department is preparing regulations."

The Executive Order and the act together are designed to stabilize the cost of living, including wages, salaries, profits, and farm prices. The War Labor Board is authorized to approve only such increases above rates prevailing on September 15, 1942, as are necessary "to correct maladjustments or inequalities, to eliminate substandards of living, to correct gross inequities, or to aid in the effective prosecution of the war."

UNITED STATES DEPARTMENT OF LABOR

FRANCES PERKINS, Secretary

Overtime Payment Rules in Executive Order

In order to insure the uniform adoption of the policy of waiving double time and other premium pay for work on Saturday and Sunday as such, which many labor organizations had already adopted in the interests of the war effort, President Roosevelt issued an Executive Order, effective October 1, 1942. Where, because of emergency conditions, an employee on war production work is required to work for 7 consecutive days in any regularly scheduled workweek, a premium of double time shall be paid for work on the seventh day.

Not more than time and a half shall be paid for work in excess of 8 hours a day or 40 a week, or for work performed on the sixth day worked in a week. This applies where overtime rates are required under certain laws or under union agreements. Time and a half shall be paid for work performed on any of the following holidays and for these only: New Year's Day, July 4th, Labor Day, Thanksgiving, Christmas Day, and either Memorial Day or one other such holiday of greater local importance.

The Secretary of Labor is authorized to determine questions of interpretation and application of the order, and may furthermore rule that any or all of its provisions do not apply to any industry, occupation or class of employees covered by a wage stabilization agreement that is operating satisfactorily, or in cases where the application of the order would be unnecessary or inadvisable for the successful prosecution of the war.

The first interpretation issued by the Secretary of Labor points out that the order is "designed first to facilitate round-the-clock war production by removing the absenteeism which frequently results from premium pay for work on Saturday and Sunday as such. Secondly, it seeks wider application, in the interest of efficiency and health, of the salutary principle that every worker shall have one day of rest in seven."

Where different premium rates might apply to the same work, such as holiday rate and seventh day rate, the order does not require pyramiding of rates but payment of the higher rate. "All work relating to the prosecution of the war" is covered, including work by prime contractors, their subcontractors and those who make the materials and supplies necessary for the performance of such contracts.

If an employer segregates his war work from his other work, the order applies only to the war work, but in the absence of segregation it applies to both. Production, maintenance, and office employees whose compensation is usually related to the number of hours and days worked are covered, but not executives or supervisory employees whose compensation is not so figured.

The second interpretation issued by the Secretary of Labor makes it clear that the order applies to manufacturing of any product used by the Government in the prosecution of the war, or the manufacturing of any product used by a Government war contractor or subcontractor. It does not apply to enterprises providing public transportation, communication, storage, distribution, or warehousing facilities.

Absenteeism Cut Will Conserve Manpower

War firms that are experiencing abnormally high rates of absenteeism will be interested in the National Industrial Conference Board's Study No. 46 called *Reducing Absenteeism*. As the report points out, one way of conserving manpower is to reduce absenteeism.

With the addition of large numbers of women workers special steps will need to be taken, for the absentee rate of women is generally higher than that of men, in part because of the woman's household responsibilities which continue even though she takes a job in a war factory. After giving examples of how to keep absence records and how to analyze them in various types of break-downs, the report discusses solutions to problems of absenteeism.

Among special reasons indicated for a rise in the absentee rate in war industries are the following: increase in weekly number of hours with premium payments for Sundays (premium pay for Sunday work as such has since been ruled out by the President's Executive Order); higher incomes and decreasing availability of consumers' goods, which together create an incentive to take compensating time off; difficulties of marketing in and around war plants. Among the methods suggested for combating this trend are abolition of premium pay for Sunday work; moral persuasion and patriotic pleas; greater attention to the causes of industrial fatigue; improvement of working conditions to prevent the spread of disease and to increase the workers' resistance to infection; decrease in working hours and the introduction of rest periods.

It is suggested that labor unions have had better success than management in exerting moral suasion by making the employees feel that voluntary absenteeism is an offense against their coworkers.

President Stresses Need for Safety Work

President Roosevelt in his Labor Day speech at Bethesda, Md., drew attention to the accident problem as it affects war work in the following language:

> The number of fatalities from automobile accidents last year was 40,000 . . . The number of people injured in such accidents was almost a million and a half. In industry . . . the number of fatalities from accidents was 19,200. How many of these deaths were preventable? The number of people injured in such accidents was considerably in excess of two million, including over 100,000 permanent disabilities.
>
> Among those who have been killed or disabled were men and women who could have helped to build planes, tanks, ships, and guns—who could have served in civilian defense or in many other essential services. As a result of industrial accidents alone, quite apart from those which were fatal, the time lost last year reached the almost incredible total of 42,000,000 man days.
>
> It is not only our enemies who kill valuable Americans. CARELESSNESS IN DRIVING on the highways, OR IN OPERATION OF MACHINES IN FACTORIES, can cost us many lives needed by our country in using every resource most effectively.
>
> ". . . Every preventable civilian accident diverts sorely needed medical, surgical, and nursing care from the imperative requirements of our Army and Navy. It is not going too far to say that any civilians in the United States who, through reckless driving or through failure to take proper safety measures in industrial plants, kill or maim their fellow citizens, are definitely doing injury to our sons and brothers who are fighting this war in uniform. And similar injury to our armed forces is done by pedestrians or workers who, through thoughtlessness and carelessness, put themselves in harm's way.
>
> Not all of us can participate in direct action against our enemies; but ALL OF US CAN PARTICIPATE IN THE SAVING OF OUR MANPOWER.

The Department of Labor, through the National Committee for the Conservation of Manpower in War Industries, has attacked this problem on a broad front, mainly through contacts with essential war industries.

Efforts have been made to insure the safety of war workers through cooperation with the armed services, other Federal agencies, State labor departments, local safety councils, and employer and labor organizations.

Recently the more than 1,500 labor-management Committees organized under the war production drive received a special bulletin on accident prevention which outlined the safety services which are available through both the national committee and other agencies. Inquiries are already coming in to the Division of Labor Standards for accident prevention information material, which is being furnished in increasing quantities. In a number of cases these inquiries have resulted in further extension of safety service by members of the field staff of more than 500 expert special agents whose services have been donated by industry.

In addition to the special services rendered to these committees, the Safety and Health Section has undertaken studies in several specialized fields directed to the elimination of hazards, both accident and industrial hygiene or disease. Among these are the synthetic rubber and the explosives industries.

In cooperation with the United States Office of Education, arrangements have been made for the training of key industrial supervisors in the fundamentals of accident prevention, a program which has expanded to include courses given under the jurisdiction of 101 engineering colleges with a total enrollment to date of more than 20,000. A considerable part of the text material for these courses was developed by members of the safety and health staff. In this connection special courses will be arranged for various branches of the armed services and to meet special industrial conditions. Included in the projected program is an approximate 20-hour in-plant training course on industrial safety for employees and specifically, members of safety committees.

The scope of the safety activities of the Department of Labor is increasing steadily and most recent reports indicate that some control is being secured over the alarming rise in accident rates so paralyzing to our war efforts.

Check List to Aid War Production Is Ready

Staff members of the eight Government agencies that issued the statement on a policy for optimum hours have prepared a check list for plants engaged in war production to enable them to determine for themselves weekly working hours which will maintain maximum production for the duration of the war.

This check list, printed by the Department of Labor, is being distributed by the War and Navy Departments and the Maritime Commission to their contractors and to their own establishments. It calls the employer's attention to trouble spots that may be developing in his plant; tells him what records are useful to maintain in order to locate symptoms of trouble promptly, and how to set about correcting the conditions. The pamphlet says:

> The most efficient hours schedule for sustained maximum production depends in part upon the type of work. The best hours can be determined by keeping certain records for each department or for operating units within departments. Separate records should be kept for men and women. To start with, select groups working on bottleneck operations or operations involving the greatest fatigue elements . . .

As hours in the plant are lengthened or reduced, the figures which will most quickly reflect changes in efficiency are figures of output and rejection or poor quality. Data on absenteeism, labor turnover, and accident frequency are also indicative. These figures if recorded over a period of weeks or months for certain departments or groups may show a trend. No one of these factors by itself is conclusive but a sudden or a continuous upward trend by several of them should constitute a danger signal, indicating that a point may have been reached at which long hours are adversely affecting production.

The pamphlet tells how to keep output, accident frequency, and absenteeism records which will tell this story, graphically, from week to week.

Once the employer has before him a clear indication that something is wrong the pamphlet suggests that he discuss the records with foremen, gang bosses, union representatives, and veteran employees. Even in the absence of specific records these key groups may be able to suggest whether output is being maintained on the highest possible level, and may be able to suggest what changes should be made in the hours schedules of certain departments or shifts, or what arrangement of shifts would be more convenient.

In drawing up his plans for shifts the employer is asked to consider the following problems: transportation facilities; the availability of additional workers and the possibility of training new workers, for example women, for the new shifts; and the frequency of rotation of shifts. The Department of Labor stands ready to assist employers in finding the solution to the problems uncovered by the use of the check list.

The hours recommendation has been the subject of favorable comments from industry and labor

Women Workers Help in Harvesting Crops

The harvest of fruits and vegetables of probably 100 Hudson River Valley farmers is greater this year than it would have been if several hundred college and high-school girls had not spent the major part of their vacations this summer working on farms in that locality. In three areas visited in July by a representative of the Women's Bureau, girls were picking raspberries and currants, "stripping" cherries, thinning apples, picking beans, and hoeing fields of celery. Though few of these girls had ever before spent more than a week end on a farm, they were getting up at 6 o'clock in the morning and putting in a full day's work in the fields.

Most of the girls had been recruited in New York City by the Farm Placement Office of the United States Employment Service. The college girls working on Columbia County farms were secured through the efforts of two summer residents of that community who have wide contacts with eastern schools and colleges. The farmers, many of whom had been skeptical at first about women's ability to do farm work, admitted frankly that the girls had been of material help in harvesting the crops in the Hudson Valley this year, especially as the casual workers who usually drift into this region for the harvesting season did not appear. Many of the local boys had been inducted into the Army or Navy or had been attracted to the war industries by the higher wages paid there. A real shortage of labor therefore existed.

Many farmers who originally had scorned the use of women drove 15 or 20 miles a day to transport the girls to their farms to pick fruit or beans before these products spoiled. The girls were especially successful in picking berries and perishable fruits, their more careful handling causing less spoilage.

Patriotic reasons had prompted most of the girls to volunteer for farm work. A few hoped to earn enough to help with their college expenses; others expected to combine a summer's vacation with a few weeks of profitable employment. It is fortunate that financial gain was not the chief consideration, because few girls earned more than their actual expenses.

In Columbia County the girls paid $10 a week—$9 for board and lodging (respectively $7 and $2) and $1 toward the salaries of persons engaged to supervise the project. The girls in this group lived in an inn, which this summer was operated solely for the accommodation of students working on neighboring farms. These students, and girls working in other communities, were paid the going rates for their services when on piece work and 30 cents an hour when on a time basis.

It was the unusual girl, however, whose earnings averaged $10 or more a week for the entire period that she worked. The difference between earnings and living costs was paid by the girls' parents. For girls in less fortunate economic circumstances this arrangement would have been highly impractical.

At Red Hook, where 40 girls lived in a huge 19th-century mansion in a state of considerable disrepair, the farmers recognized that the workers could not reasonably be expected to pay the full living costs. These costs included rent and insurance on the house, water, gas, food, and the wages of employees. Through mutual agreement, the girls each paid $5.65 a week toward these expenses and the farmers in the community paid the remainder.

Housing, according to persons responsible for placing girls on New York farms, created the greatest single problem with which they were confronted. Several projects for employing women and girls on farms had to be abandoned because suitable living quarters could not be secured.

the rare cases in which acceptable accommodations were provided, the cost to the workers was out of all proportion to their earnings.

Transportation in this area did not present the special problem this year that was anticipated. The farmers were permitted extra allotments of gas and tires, and therefore were able to transport the girls to and from their living quarters to the fields. Usually the girls were called for at about 6.30 and were in the fields by 7. They worked 8 or 10 hours every day except Saturday, which instead of Sunday was their day off. Picking had to be done on Sunday in order to get the produce ready for the Monday markets. Occasionally, to prevent a loss of crops due to rain or over-ripening, girls worked on 7 days and as long as 12 hours a day. They carried their lunches from their living quarters and ate them in the fields in the 30-minute or 60-minute lunch period allowed.

In the work centers visited by the Women's Bureau representative no serious accidents nor cases of illness had developed, but the persons in charge were strongly of the opinion that more adequate provision should be made for prompt and expert medical care. A resident nurse to care for minor accidents and illnesses was considered a necessity by one supervisor. The failure of the State Workmen's Compensation Law to provide compulsory insurance for farm workers injured on the job was the source of considerable anxiety among people responsible for recruiting girls to work on farms in this area.

The experience in these three New York communities has demonstrated that the services of girls and women can be of great benefit to fruit and truck farmers, but it has shown also that if women are to be used in large numbers on farms another season, much careful planning for their successful employment and housing must be done in the months that are to come.

Women Will Be Needed for Technical War Work

Industry must be prepared to employ women not only for unskilled and semiskilled production jobs but also in highly skilled mechanical occupations. This becomes increasingly clear as Selective Service headquarters indicates that occupational deferment of men will be granted only in exceptional cases. Since women have seldom held such jobs in the past, training must be provided, often in the factory.

The experience reported by a certain firm is proving this feasible. The work consisted of the inspection of a wide variety of gages, including almost every type and size manufactured. Accent was on precision, with tolerances of from 0 to 0.0001 to 0.002 and as low as 3 seconds on angles. The job required a high degree of intelligence and manual dexterity, a practical mind, and an interest in mechanical processes.

The qualifications and a rough outline of the duties were listed with college placement bureaus and commercial employment agencies, and eventually about 40 girls were hired. During the interview each girl was asked to outline her college courses in physics and mathematics and to tell which of her studies she liked best and why. An important point was to learn whether she preferred the laboratory or the lecture phases of her courses, and the few girls who expressed a distinct aversion to laboratory work were not hired. A test was given to show whether or not the applicant could apply her mathematics to a practical problem.

Successful candidates were given a month's training by an experienced gage maker, consisting of instruction and practice in the use and minor adjustment of micrometers and other precision instruments. They were taught methods of gage examination and shop mathematics. As instruction gave way to actual practice, girls were given experience on all types of gage in the course of a month or two. Eventually the supervisors decided the type of gage best handled by each girl and she spent as much time on that particular type as production demands permitted.

Another important type of testing is done by women at one of the Army proving grounds. More than 1,000 women are testing light- and medium-caliber guns and are replacing men in many other technical jobs. There are women who place powder in the shells and insert the projectiles. Great precision is needed in measuring the exact amount of powder used to determine its propelling force. Some women, expert in mathematics, are in the ballistics laboratory where are calculated the course and "antics" of bullets fired from all types of small arms. About 20 college graduates are engaged in this work. The central velocity-measuring station is also manned by women. This station is connected by electric wires with the various hoops around the grounds, through which projectiles are fired. When a gun is fired, the velocity of the projectile as it passes through these hoops is flashed back to instruments in this center and women record the results.

Women are being trained to take men's places in map drafting and as engineering aides in the T. V. A. They learn drafting tasks in making the maps necessary to build dams and reservoirs and to relocate communities, highways, bridges, and railroads. Later they learn freehand lettering and the use of the planimeter with which acreage is computed mechanically. Use of universal drafting machines and projection machines is taught also. Here and there women are on drafting jobs in

plane manufacture. In rare cases they are even doing designing of tools.

The communications field has its own techniques that women are beginning to learn. Several women have been reported as controlling airways traffic by radio. Training for this important work has recently been begun for women as well as men. A similar job held by a woman is the direction by radio of a squad of highway patrolmen. A few women have begun teaching radio operation to the Army Air Forces, and many more are wanted, as men must be taken from these positions for active duty. The qualifications are high, including technical training and experience. However, women with partial requirements may qualify for provisional junior instructor rating.

In the Quartermaster Corps of the Army there are thousands of women in various types of textile work. They are filling successfully positions as inspectors, color testers, chemical workers, precision metal workers, storage and distribution clerks. One depot is training women for the job of undertextile inspector, a position formerly held only by men. In the metallurgical and chemical laboratories of a steel company women are learning to make accurate test pieces, to run tensile and other strength tests, and to operate highly sensitive machines for examining the structure of steel—the microscope, the spectrograph, and others.

Transportation Industry Opens to Women

Shortages in available labor undoubtedly will result in a vast increase in the employment of women in the transportation industry. That women can perform difficult and highly specialized transportation jobs is shown by recent experience in Great Britain. In the United States, women were employed in many fields of transportation in the first World War, and in the present emergency reports are constantly being received of their increasing employment at occupations customarily performed by men.

The most effective use of women demands that attention be paid to the working conditions under which they are employed. To maintain the efficiency of the individual over an extended period, proper safeguards for health and safety are essential. The Women's Bureau, on the basis of its continuous experience in studying and promoting the welfare of women since the first World War, has formulated basic standards for the employment of women that are recommended as a guide for employers taking on women in the various types of work in transportation.

Not only do the Women's Bureau recommendations for all industries as to safety and sanitary arrangements, health and comfort, hours and wages apply here, but special problems will arise as women enter jobs hitherto closed to them (see Women's Bureau Special Bulletins 1 to 9). Frequently the situation must be studied on the spot to see what facilities must be supplied and what adjustments made.

About 80,000 women reported themselves in the transportation field in the Census both of 1930 and of 1940, their work being largely clerical. There is room for great increase in the employment of women in such jobs. Reports to the Railroad Retirement Board in 1940 show for Class I railroads that of more than 114,000 persons in routine jobs—clerks, stenographers, typists, telephone operators, and so on—only about one-fourth were women. Allied to this work, though requiring more specialized knowledge, is that of station agents and telegraphers, a total of more than 47,000; clerk telegraphers and telephoners nearly 9,000.

A few women were reported in certain service jobs. They were 18 percent of the 6,600 janitors and cleaners, 5 percent of 11,000 coach cleaners, and 9 percent of 15,500 waiters, camp cooks, kitchen help, and the like. In some of these jobs the problem of extending women's employment would involve the furnishing of service facilities and even living quarters.

With women making machinery and metal products of all sorts, it is reasonable to suppose that they can be fitted into some of the mechanical jobs that keep railroad stock rolling. Class I railroads reported more than 147,000 skilled and 81,000 unskilled workers on maintenance of equipment. Some, at least, of the more than 105,000 helpers and apprentices probably were shop workers.

In Great Britain the use of women in transportation jobs for the war emergency was accepted by the unions on the basis of agreements made with employers' associations. These provided in most cases that women are to receive the rate for the job. This is less likely to be true of fields in which women were engaged formerly, such as railroad clerical work, but it applies to work in railroad operation, railroad shop activities, and bus transportation.

Careful recruitment and definite training for women have proved wise policies. In bus transportation selection methods and special training programs have been worked out. The railroads which consistently support training courses for employees, have endeavored to give the new women recruits the necessary instruction. In motortruck transportation women not only must be competent drivers but must learn how to care for the engine and make minor repairs.

Agreements concluded in Great Britain between the National Union of Railwaymen and the companies provide that women on men's jobs shall

receive the full male rate after a three-months' probationary period, both in the traffic grades and in shop work. There is no variation from this in traffic jobs, but in shop work adjustments may be made if, after that time, a woman is not fully qualified to do the job. The 750 women carriage cleaners employed before the war are also to be paid at the male rate, with the understanding that when they return to the restricted cleaning work after the war they are to go back to the women's rates. The union accepts women as members. Of a total membership of 376,355 about 74,500 are women, over 24,000 of them newly employed in the past year.

Typical of the policy of the railroads in introducing women into men's jobs is the following statement made at the annual meeting of one company early in 1941:

> In order that they may become efficient without delay, arrangements have been made for special courses of instruction as soon after engagement as may be practicable. A suitable syllabus has been prepared for this purpose, which will be supplemented by films.

Special consideration has been given to various factors essential for efficient work on the part of women employees. The railroads appointed additional welfare supervisors as women were hired in numbers, and took care to provide rest rooms, change rooms, and washing and toilet facilities.

Service and Trade Jobs Demand More Women

As more workers, and especially more women, are going into war production, working longer hours, often commuting long distances to their jobs, the services offered by restaurants, hotels, laundries, and beauty parlors are in increasing demand. Stores are busy, not only because workers are earning more but because long hard times have left numerous families with many replacements to make in the way of household necessities and more adequate clothing. They welcome the ability to buy more nourishing food.

For a year or more, manufacturing industries have been drawing away these service and trade workers into occupations that pay more, often with shorter hours, and in general in much more pleasant surroundings. Month by month, from all parts of the country, have come reports of acute shortages in trade and service fields, because of "poor working conditions and low pay." Boom towns are going up around newly established war industries. Existing restaurants, laundries, and beauty shops can no longer meet the needs of in-pouring workers.

Recently the National Restaurant Association stated that employers hardly have time to teach girls before they leave for a war job. In one city alone there is a shortage of 5,000 waitresses, an acute situation in others. Officials of the National Association of Cosmetologists and Hairdressers report a marked shortage of beauty-shop operators. In one city 800 small shops are for sale, many because operators cannot be obtained at the wages these shops can offer. Several hundred operators were dropped from unemployment insurance in the first six months of 1942 because they refused jobs. Often they have preferred to wait for a war-production job or have asked training for such work.

In 1940 nearly 800,000 women were selling goods at retail; more than 700,000 were waitresses and cooks or other such employees, outside of private homes; more than 215,000 were in beauty parlors or barber shops; nearly 180,000 were in laundries. Women also served as janitors or cleaners, nearly 80,000; as elevator operators, more than 13,000. From 1930 to 1940 the number of women in all these jobs combined increased by about 660,000. Their employment in beauty parlors almost doubled; in hotels and restaurants it increased by nearly two-thirds.

Men undoubtedly were the first to move out of these jobs—either called to the armed forces or seeking defense production jobs, at first more easily secured by men than by women. There has been an organized campaign to substitute women for men in grocery stores, especially as checkers in the super markets. Some systematic plans have been made for their training. Scattered reports come of women substituted as elevator operators, as drivers of delivery cars, as service-station workers, as bell captains and bell boys, as cleaners and pressers. One report tells of women hired to run elevators at a lower rate than the men they replaced.

The great majority of these 2,000,000 women in the service and trade industries are without the protection that the Fair Labor Standards Act gives to factory wage earners. Their only legal safeguard against substandard earnings comes from State minimum-wage laws, and up to the present almost half the States have no such laws. Even where a law is in effect, the necessary orders fixing a minimum rate have not been issued in all cases.

The numerous studies of women in these occupations made by the Women's Bureau over many years have been valuable to State labor departments in their issuing of wage and hour orders for intrastate industries.

That the level of women's earnings in stores and service establishments is considerably below that in factories is shown by the recent report from the Department of Labor of Illinois (the only State regularly reporting earnings by sex).

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Women's average weekly earnings in June 1942 were as follows: Manufacturing, $22.06; retail apparel stores, $18.04; laundering, cleaning, and dyeing establishments, $16.36; hotels, $15.24; restaurants, $12.77; department and variety stores, $11.03. Store employment includes part-time workers.

Of women in retail stores in the United States, more than two-thirds are covered by State minimum-wage laws, but for only a fourth has a minimum rate been set. A little less than two-thirds of the women beauty-parlor workers, of the operatives in laundries, and of the workers in hotels and restaurants are in minimum-wage States. These have fared a little better as to rates set. Forty percent of all beauty operators and of cooks, waitresses, and so on, and 60 percent of all laundry workers, have some wage standard fixed. Restaurant workers are covered in more cases than are hotel workers.

State wage orders have in general raised wages appreciably, but seldom if ever to the level of manufacturing, and especially of war industries. For a normal week's work by experienced employees the minimum rates set for the various occupations range from $18 to as little as $7.50. In some States, rates for the large group of service workers in hotels and restaurants are lower than for the nonservice. In a number of cases lower rates are set for smaller cities.

The impact of the war emergency on the essential services and trades will be felt more severely throughout the country as the war industries reach full stride.

U. S. and New York Cooperate on Home Work Permits

Home work on mittens and gloves has been prohibited in New York by both State and Federal action except for home workers who are incapacitated for factory employment and who have been attached to the industry. The definition of permissible home work and the provisions for certificates are the same in both the order issued by the Wage and Hour Division under the Fair Labor Standards Act and the order issued by the State Department of Labor under the State industrial home-work law. In order to avoid confusion and duplication the Wage and Hour Division will not issue certificates; the Federal order has been recently amended to provide that the certificates issued by the State labor department to home workers on mittens and gloves will be accepted as Federal certificates. It is estimated that 95 percent of all home workers in the industry are located in New York State.

The giving out of industrial home work, except to a restricted group of home workers who would find it impossible to adjust to factory employment, has now been prohibited by the following wage orders issued by the Wage and Hour Administrator: Jewelry, women's apparel, knitted outerwear, gloves and mittens, buttons, and buckles.

Office Buildings Status Under Wage-Hour Law

Questions have been raised concerning the application of the Fair Labor Standards Act to maintenance employees working in office buildings in which no goods are produced for interstate commerce and in which none of the tenants there engages in transactions in interstate commerce.

L. Metcalfe Walling, Administrator of the Wage and Hour Division, U. S. Department of Labor, has explained that the Division would consider the Act inapplicable to maintenance employees in these situations, since it is unlikely that the courts would find such employees within the scope of the Act. Typical questions involved relate to those office buildings in which some companies rent space to house part of their clerical or office staffs, but which conduct their production and commercial activities elsewhere. In the opinion of the Wage and Hour Division such buildings are not in interstate commerce and so not covered.

The Supreme Court, last June, in *Kirschbaum v. Walling*, 62 Sup. Ct. 1116, held that maintenance employees of a loft building in which the tenants produced goods for interstate commerce are covered by the Act. The Division has held that maintenance employees in buildings in which the tenants carry on interstate commerce activities are similarly covered by the Wage and Hour Act. For purposes of enforcement the Administrator has adopted the rule that he would regard 20% as the test of whether a substantial part of the building is devoted to interstate commerce activities. If less than 20% of the building is occupied by tenants therein engaged in interstate commerce or in the production of goods for interstate commerce, the Division will take no action to apply the Act to the maintenance employees.

Employment and Pay Rolls in August 1942

Employment in civil nonagricultural establishments increased by 555,000 between mid-July and mid-August, and by 2,332,000 between August 1941 and August 1942. The total number employed amounted to 37,789,000, the highest on record. These estimates do not include proprietors of unincorporated businesses, self employed persons, unpaid family workers, domestics employed in private homes, employees on vessels, personnel of the WPA, NYA, and CCC, and the uniformed personnel of the army, navy, marine corps and coast guard.

Factory employment, which has shown a virtually unbroken succession of monthly increases during the past two years, reported a rise of 337,000 workers over the month interval and an increase of nearly 4,700,000 since June 1940, the beginning of the defense program.

Employment in Federal, State, and local government services increased by 205,000 over the month, due chiefly to expansion in the War Department. The number of construction workers increased by 23,000 and the transportation and public utilities group added 14,000 to its pay rolls. A decline of 13,000 was reported for the wholesale and retail trade group continuing the series of monthly decreases which began in April and reflecting the effect of Government restrictions on the production and sale of civilian goods. The mining group showed a net decline of 5,000 workers, the largest reduction (1.2 percent) having occurred in metal mining. The finance, service, and miscellaneous group reported 6,000 fewer workers.

MANUFACTURING

Increases in the durable goods group of 2.6 percent in employment and 5.8 percent in weekly pay rolls were due primarily to expansion in industries geared to the war effort such as shipbuilding; aircraft; radios; engines; automobiles; brass, bronze, and copper products; electrical machinery; and machine tools. The gain of 3.7 percent or approximately 15,000 workers in the automobile industry was the fourth successive monthly expansion, indicating continued increases in the production of war materials. The increase of 1.6 percent in the nondurable goods group was due chiefly to seasonal gains in canning and preserving; women's clothing; men's clothing; millinery; and confectionery. The beverage industry reported a substantial employment gain, and the rubber tire and tube industry a further rise of 4.5 percent or 2,800 wage earners. The increase in the latter industry was the fourth consecutive monthly rise and reflected production on Government orders. Among industries reporting employment declines, due primarily to material shortages and freeze orders, were cast-iron pipe, plumbers' supplies, stoves, business machines, fur-felt hats; and silk and rayon goods.

HOURS OF WORK AND EARNINGS IN MANUFACTURING INDUSTRIES

Preliminary August 1942 average weekly earnings, average weekly hours, and average hourly earnings are listed below for each of five durable- and five nondurable-goods industries.

A preliminary tabulation of employment and pay-roll reports from approximately 30,000 manufacturing establishments employing about 7,000,000 workers in August, showed an average wage-rate increase of 8.5 percent between July 16 and August 15 affecting 390,000 factory wage earners in 619 plants. Among industries in which substantial numbers of workers received increases were shipbuilding, cotton goods, and steel.

Average hours and earnings in selected manufacturing industries, August 1942 (preliminary)

Industry	Average weekly earnings	Average weekly hours	Average hourly earnings
Durable Goods			
			Cents
Blast furnaces, steel works and rolling mills	$42.22	40.8	103.0
Foundries and machine shops	45.74	48.3	94.2
Aircraft	46.09	46.7	99.3
Sawmills	27.34	41.2	66.4
Brick, tile, and terra cotta	27.99	38.4	72.7
Nondurable Goods			
Cotton goods	22.39	40.8	54.9
Boots and shoes	24.89	37.7	65.7
Slaughtering and meat packing	32.40	40.1	80.7
Paper and pulp	34.50	42.3	81.6
Petroleum refining	43.54	38.7	112.4

Employment, Pay Rolls, Hours, and Earnings in Selected Nonmanufacturing Industries (preliminary)

Item	August 1942	Increase or decrease from—	
		July 1942 to August 1942	August 1941 to August 1942
		Percent	*Percent*
Retail trade			
Employment	3,428,700	−0.9	−7.6
Weekly pay roll	$80,121,000	−.4	−2.8
Weekly hours	42.1	+.2	−2.1
Hourly earnings	$0.61	+.4	+6.7
Weekly earnings	$23.57	+.4	+5.3
Wholesale trade			
Employment	1,441,300	+.1	−6.3
Weekly pay roll	$52,851,000	(1)	+1.7
Weekly hours	41.0	−.9	−.2
Hourly earnings	$0.86	+.5	+8.8
Weekly earnings	$35.30	−.1	+8.5
Bituminous coal			
Employment	422,900	−.8	−.4
Weekly pay roll	$13,320,000	+6.9	+2.7
Weekly hours	31.9	+7.5	−1.2
Hourly earnings	$1.10	+.9	+5.6
Weekly earnings	$34.69	+7.8	+3.1
Metal mining			
Employment	88,700	−1.2	+.8
Weekly pay roll	$3,456,000	+3.8	+23.4
Weekly hours	44.6	+3.1	+7.3
Hourly earnings	$0.91	+2.4	+14.0
Weekly earnings	$40.83	+5.0	+22.5
Telephone and telegraph			
Employment	473,400	+.5	+4.8
Weekly pay roll	$15,998,000	+.6	+8.9
Weekly hours	40.5	+.1	+.5
Hourly earnings	$0.82	+.2	+3.5
Weekly earnings	$33.02	+.2	+3.9

[1] *Less than 1/10 of 1%.*

Employment, Pay Rolls, Hours, and Earnings in Selected Nonmanufacturing Industries (preliminary)—Continued

Item	August 1942	Increase or decrease from—	
		July 1942 to August 1942	August 1941 to August 1942
		Percent	*Percent*
Power and light			
Employment	235,200	−1.2	−10.0
Weekly pay roll	$9,376,000	−.3	−2.1
Weekly hours	40.1	−1.1	−.3
Hourly earnings	$0.99	+1.9	+8.7
Weekly earnings	$40.02	+.9	+8.7
Street railways and busses			
Employment	210,500	+.4	+7.5
Weekly pay roll	$8,723,000	+3.2	+19.2
Weekly hours	48.4	+1.6	+2.5
Hourly earnings	$0.83	+1.8	+8.5
Weekly earnings	$40.69	+2.8	+10.9
Hotels			
Employment	272,200	−1.3	−1.2
Weekly pay roll	$4,820,000	+.9	+10.2
Weekly hours	45.6	+.4	−.1
Hourly earnings	$0.40	+2.9	+12.8
Weekly earnings	$17.96	+2.3	+11.6
Laundries			
Employment	271,500	−1.4	+2.5
Weekly pay roll	$5,089,000	−.8	+11.6
Weekly hours	43.2	−.3	+.3
Hourly earnings	$0.49	+.8	+8.6
Weekly earnings	$20.78	+.6	+8.9
Dyeing and cleaning			
Employment	72,400	−2.6	+4.0
Weekly payroll	$1,525,000	−3.3	+14.7
Weekly hours	42.7	−1.1	−.5
Hourly earnings	$0.57	+.4	+12.0
Weekly earnings	$23.87	−.7	+10.3

Estimated employment and weekly pay rolls in manufacturing industries (preliminary) August 1942, July 1942, and August 1941

Industry	Number of wage earners employed			Amount of weekly pay roll (thousands)		
	August 1942	July 1942	August 1941	August 1942	July 1942	August 1941
ALL INDUSTRIES [1]	**11,468,200**	**11,223,900**	**10,501,800**	**$406,855**	**$387,545**	**$299,995**
Durable group [1]	*6,359,100*	*6,196,900*	*5,341,800*	*267,579*	*252,767*	*177,980*
Iron and steel	1,201,300	1,204,700	1,247,900	49,008	47,819	43,730
Machinery	1,907,200	1,862,400	1,567,400	86,714	82,872	58,272
Transportation	1,759,600	1,652,000	969,500	90,219	82,176	38,622
Nonferrous	372,000	365,500	363,000	15,177	14,667	11,984
Lumber	668,600	666,800	736,600	17,888	17,068	16,897
Stone—Clay—Glass	323,100	321,500	355,000	9,349	8,898	9,254
Nondurable group [1]	*5,109,100*	*5,027,000*	*5,160,000*	*139,276*	*134,778*	*122,015*
Textiles	1,786,900	1,762,900	1,880,600	41,386	39,370	37,791
Leather	304,300	311,300	326,900	7,570	7,701	7,311
Food	1,090,400	1,040,900	1,058,400	29,430	28,288	25,100
Tobacco	91,500	89,300	91,100	1,868	1,746	1,558
Paper and printing	609,400	614,100	658,100	19,353	19,087	19,462
Chemicals	521,600	519,300	474,100	19,276	19,124	15,041
Rubber	141,200	136,000	150,200	5,264	5,050	4,815
Unclassified [2]	563,800	553,200	520,600	15,129	14,412	10,937

[1] *Adjusted to Preliminary 1939 Census figures. Because the subgroups have not been similarly adjusted, and because of overlapping, the totals of the subgroups under durable goods do not agree with the total for the group as a whole.*
[2] *Obtained by subtracting the sum of the subgroups under "nondurable" from the total for "nondurable."*

Downward Trend Continues in Building

The downward trend in building permit valuations continued through August, with a 60-percent drop from the total for August of last year. Increasingly stringent restrictions on the use of critical building materials have affected all classes of building. The sharpest decline (66 percent), occurred in the case of new residential construction. Permit valuations for new nonresidential buildings decreased 58 percent, and those for additions and repairs to existing structures, 38 percent.

Permit valuations for new residential construction rose 5 percent between July and August as a result of increases in privately financed housing. However, contracts were awarded for fewer units in public housing projects in August than in July. There was a slight increase in permit valuations for additions and repairs. A 39-percent drop in new nonresidential construction more than offset gains in other types of construction, and caused a reduction of 18 percent in total permit valuations from July to August.

During the first 8 months of 1942, permits were issued in reporting cities for buildings valued at $1,396,649,000, a decrease of 32 percent as compared with the corresponding period of 1941. Permit valuations for new residential buildings for the first 8 months of the current year amounted to $612,951,000, a decline of 41 percent as compared with the first 8 months of the preceding year. Over the same period new nonresidential buildings showed a decrease of 20 percent, and additions, alterations, and repairs a decline of 26 percent.

Federal and State construction in the 2,391 reporting cities totaled $35,220,000 for August; $44,127,000 for July, and $89,936,000 for August 1941.

In the 2,391 reporting cities, permits were issued in August for new housekeeping dwellings which will provide 15,721 dwelling units, or 11 percent more than the 14,134 dwelling units provided in the previous month, and 57 percent less than the number provided in August 1941. Dwelling units in publicly financed housing projects included in these totals numbered 1,403 in August 1942, 1,800 in July 1942, and 7,595 in August 1941.

Cost of Living in August 1942

Led by sharp increases for certain foods exempt from price control, the cost of living in large cities rose by 0.4 percent from July 15 to August 15. The Bureau of Labor Statistics index of the cost of living now stands at 117.4 percent of the 1935–39 level, about 19 percent higher than in August 1939, just before the outbreak of war in Europe.

Price increases for foods not subject to OPA regulation amounted on the average to 2.2 percent from July to August and to nearly 10 percent during the three-month period since mid-May, when the General Maximum Price Regulation became effective. For foods controlled by the OPA there was also some advance (0.5 percent) from July to August. Since May, these controlled foods have declined 0.3 percent. The total food bill went up by 1.2 percent from July to August. On the other hand, elements in the cost of living predominantly subject to regulation—clothing, rent, fuel, ice, and housefurnishings—for the most part declined slightly. Total costs of all controlled goods and services were unchanged, while costs not under control rose by 1.3 percent from July to August.

The following table shows changes since a month ago and since May.

	July 15 to August 15, 1942	May 15 to August 15, 1942
All items	**+0.4**	**+1.1**
Food	+1.2	+3.7
Controlled	+0.5	−0.3
Uncontrolled	+2.2	+9.8
Clothing	−0.2	−0.9
Rents	−0.1	−2.1
Fuel, electricity and ice	−0.1	+1.2
Housefurnishings	−0.5	−0.3
Miscellaneous	+0.1	+0.2

Food Costs.—With but a few exceptions, all foods not controlled rose more than usual at this season of the year. Among the greatest increases over the month were those of 18 percent for lettuce, and 14 percent for sweet potatoes, 8 percent for butter, more than 5 percent for roasting chickens, all of which were practically double the usual seasonal advances.

Cost of Living in 21 Large Cities

City and area	Indexes Aug. 15, 1942 (1935–39=100.0)	Percent of change from— July 15, 1942 to Aug. 15, 1942	Aug. 15, 1941 to Aug. 15, 1942	Aug. 15, 1939 to Aug. 15, 1942
Average 34 large cities	**117.4**	**+0.4**	**+10.5**	**+19.1**
Middle Atlantic:				
Boston	115.3	−0.4	+9.6	+18.7
Buffalo	120.4	−.3	+10.8	+22.2
New York	116.2	+.9	+10.1	+17.4
Philadelphia	116.7	+.3	+11.5	+19.3
Pittsburgh	116.8	+.1	+9.4	+18.7
South Atlantic:				
Baltimore	118.9	+.5	+10.7	+20.5
Savannah	121.5	(1)	+12.2	+22.4
Washington, D. C.	116.9	+.4	+11.1	+18.6
North Central:				
Chicago	116.9	[2] +.8	+9.5	+18.4
Cincinnati	117.4	+.6	+10.3	+20.7

[1] *No change.*
[2] *Index for July revised: All items 116.0.*

Cost of Living in 21 Large Cities—Continued.

City and area	Indexes Aug. 15, 1942 (1935–39 100.0	Percent of change from— July 15, 1942 to Aug. 15, 1942	Aug. 15, 1941 to Aug. 15, 1942	Aug. 15, 1939 to Aug. 15, 1942
North Central—Con.				
Cleveland	118.3	−.2	+8.5	+18.3
Detroit	117.3	−.4	+9.1	+19.1
Kansas City	114.8	+1.0	+11.2	+16.4
Minneapolis	116.4	+.3	+8.5	+16.8
St. Louis	117.3	+.9	+11.6	+19.6
South Central:				
Birmingham	118.7	+1.3	+9.7	+20.5
Houston	117.6	+.8	+11.2	+16.8
Western:				
Denver	116.3	+.3	+10.9	+18.0
Los Angeles	121.2	+1.1	+13.7	+20.6
San Francisco	119.6	+1.3	+12.5	+20.4
Seattle	121.5	+1.7	+11.8	+21.1

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